

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - SPECIAL SESSION COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIR DAVE LEWIS**, on August 8, 2002 at 8:00 A.M., in Room 102 Capitol.

#### **ROLL CALL**

##### **Members Present:**

Rep. Dave Lewis, Chair (R)  
Rep. Edith Clark, Vice Chair (R)  
Rep. Matt McCann, Vice Chair (D)  
Rep. John Brueggeman (R)  
Rep. Rosalie (Rosie) Buzzas (D)  
Rep. Tim Callahan (D)  
Rep. Bob Davies (R)  
Rep. Stanley (Stan) Fisher (R)  
Rep. Dick Haines (R)  
Rep. Donald L. Hedges (R)  
Rep. Joey Jayne (D)  
Rep. Dave Kasten (R)  
Rep. Christine Kaufmann (D)  
Rep. Monica Lindeen (D)  
Rep. Jeff Pattison (R)  
Rep. John Sinrud (R)  
Rep. Joe Tropila (D)  
Rep. John Witt (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Taryn Purdy, Legislative Branch  
Mary Lou Schmitz, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

##### **Committee Business Summary:**

Hearing(s) & Date(s) Posted: **SB 1, 8/07/02**  
**SB 6, 8/07/02**  
**HB 29 8/07/02**  
Executive Action: **SB 1, Be Concurred In**

**SB 6, Be Concurred In****HB 20, TABLED****HB 29, Do PASS**

**Chairman Lewis** called the meeting to order with all members present and announced HB 28 would not be heard today. He said three other Bills would be heard instead; SB 1, SB 6, HB 29. Because of other scheduled appointments, **Senator Cobb** opened the Hearings on both SB 1 and SB 6.

#### **HEARING ON SB 1**

**Sponsor:** **Senator John Cobb** said this is a compromise Bill that will take \$1 million of alcohol tax money away from the counties. The bill could reduce the amount of alcohol tax funds distributed to the counties for use by approved private or public programs pertaining to the problems of alcoholism and chemical dependency. These state special revenues will be separately appropriated to be utilized as state match for existing Medicaid program expenditures.

#### **HEARING ON SB 6**

**Sponsor:** **Senator John Cobb** said this Bill transfers some of the TANF money to the Affordable Housing Revolving Loan Account. The TANF funds are called the welfare money and there was a huge surplus last session but has gone down now. Section 2 of the bill requires the transfer of funds in excess of \$700,000 from the Affordable Housing Revolving Loan account to the TANF account. Since no TANF funds have been deposited into the account, the funds deposited by other contributing entities would have to be transferred to TANF whenever said funds are in excess of \$700,000.

**Proponents for SB 1:** **Dan Anderson, Administrator, Addictive and Mental Disorders Division, Department of Public Health and Human Services**

**Mona Jamison, Boyd Andrews Chemical Dependency Services**

**Roger Curtiss, Montana Association of Service Providers**

**Kristi Blazer, Rimrock Organizatin, Yellowstone County**

**Bill Kennedy, Yellowstone County Commissioner**

**Opponents:** Representative Jayne read a letter from Lake County Board of Commissioners **EXHIBIT**(aph04a01) and referred a question to Lois Steinbeck, Fiscal Analyst. Ms. Steinbeck said the alcohol tax money as proposed in the executive budget and implemented in HB 2 with current language, would be diverted to take Medicaid match in the mental disorders division. But the Medicaid expenditures will be all mental health related.

**Ms. Steinbeck** said with the compromise that's been left out, the counties will still receive \$730,000 as if it was alcohol tax funds and the majority will be alcohol tax funds in the proposal that is put forward in writing by AMDD.

**Questions from the Committee:** In response to questions by Representatives Kaufmann and Haines, Ms. Steinbeck said she wanted to caution the committee that the statutory language that will be re-instated would allow the legislature to appropriate everything out of that account without transferring it into the counties.

In answer to a question from Representative Fisher, Chairman Lewis said they would have to amend the title and take out the termination date and send it back to the Senate. Again, this was presented as a one-time fix for this fiscal year and then the issue is going to be re-visited in January anyway.

Representative Fisher asked Mr. Curtiss, of the 27 agencies he represents, how many of them are for profit and how many are charitable organizations, and do these funds go to a for profit organization as a subsidy? Mr. Curtiss said, of the 27 state approved programs, all 27 are non-profit. They have volunteer boards and state approved programs.

Representative Buzzas referred a question to Dan Anderson concerning the \$273,000 that the Department would retain to leverage additional dollars. If this sunsets, does the Department have the ability to leverage that money and move that money out quickly so some benefits can be seen? Mr. Anderson said there are two avenues; one is establishing a Medicaid access, the other option is to raise the Medicaid rates.

Follow-up question from Representative Pattison.

Chairman Lewis closed the Hearing on SB 1.

**EXECUTIVE ACTION ON SB 1**

**Motion/Vote:** REP. HAINES moved that SB 1 BE CONCURRED IN. Motion carried unanimously. 18-0. Representative Kaufmann will carry the Bill.

Chairman Lewis opened the Hearing on SB 6.

**Proponents:** None

**Opponents:** None

Chairman Lewis asked Pat Gervais, Legislative Fiscal Analyst, to briefly explain the Bill. Ms. Gervais said in the 2001 legislative session, Representative Erickson sponsored a bill that would have allocated approximately \$3.4 million of TANF federal funds to the Board of Housing for use in the revolving loan programs for TANF allowable purposes. That was appropriated in HB 2. HB 2 also contained language that indicated the department could proportionally reduce expenditures in certain line items if the case load increased. The Department, because of case load increase, proportionally reduced those line items and as of today, there is approximately \$1,066,000 left in the housing line items. What SB 6 would do is change the statute of Representative Erickson's Bill from \$3.4 million to \$700,000. There would be an allowable transfer of \$700,000 of TANF money to be used by the revolving loan account for housing loans for low income folks in accordance with what TANF regulations allow.

**Questions from the Committee:** Representative Kaufmann asked Ms. Gervais how the advocacy groups feel about this? Ms. Gervais said her understanding is about \$8,000 has been actually expended and there is a contacting place with Missoula groups, for the \$700,000. That was the rationale for requesting the \$700,000 remaining allocated for this purpose.

**Follow-up Questions from Representatives Haines, Buzzas, Kaufmann, Witt, Fisher to Hank Hudson, Administrator, Human and Community Services Division, Department of Public Health and Human Services.**

Bruce Brensdal, Executive Director, Board of Housing said what was happening in the process is they set up administrative rules to run the program and it takes time. Since then, there have been non-profits working to establish the programs to utilize this money. They have had two applications, one is for Homeward in Missoula for \$200,000 and one is for Montana Home Ownership Network in Great Falls but services the entire state of Montana for \$500,000.

*{Tape : 1; Side : B; Approx. Time Counter : 0 - 28.5}*

Above Tape poor quality and did not record properly.

Questions from Committee: Representative Haines, Buzzas, McCann, Kasten, to Mr. Hudson.

EXECUTIVE ACTION ON SB 6

Motion: REP. HEDGES moved that SB 6 BE CONCURRED IN.

Motion/Vote: REP. FISHER moved that SB 6 BE TABLED. Motion failed 4-14 with REPS. Davies, Fisher, Haines and Witt voting aye.

Motion/Vote: REP. HEDGES moved that SB 6 BE CONCURRED IN. Motion carried unanimously.

Comments: Representatives Haines, Buzzas, Fisher, Hedges, McCann, Kaufmann, Lewis.

Motion/Vote: REP. HEDGES moved that SB 6 BE CONCURRED IN. Motion carried unanimously. Representative Buzzas will carry.

EXECUTIVE ACTION ON HB 20

Motion: REP. HEDGES moved that HB 20 DO PASS.

Discussion: Representative Lindeen

*{Tape : 2; Side : A; Approx. Time Counter : 0 - 29}*

Motion/Vote: REP. LINDEEN moved that HB 20 BE TABLED. Motion carried unanimously.

HEARING ON HB 29

Sponsor: Representative Sinrud, HD 31, Belgrade said this Bill would impose an annual user fee of \$105 on each attorney, except a government attorney or a nonprofit legal services organization attorney, who uses the state law library. This would assist in upgrading programs, employees and maintaining the computer system.

**Proponents:** None

**Opponents:** Jacqueline Lenmark, Attorney, Montana Bar  
Association

Al Smith, Montana Trial Lawyers Association

Representative Jayne, HD 73

**Questions from the Committee:**

**Representative McCann** referred to **Ms. Lenmark's** remarks concerning attorneys in Kalispell and Billings who infrequently use the State Law Library. Are they charged in facilities wherever they do their research? **Ms. Lenmark** said she believes they are not. She has never researched how county law enforcement libraries are funded.

**Representative McCann** asked the Sponsor what he thought about amending out of the Bill, "except a government attorney or a nonprofit legal services organization attorney"? **Representative Sinrud** said the reason he put that in the Bill was to facilitate only a professional fee based on lawyers using the Law Library.

**Representative Witt** told the Sponsor he would like to offer a friendly amendment that they double that fee. The Sponsor said he would accept that amendment.

**Representative Haines** asked the Sponsor what the cost is to operate the State Law Library and if he has any statistics on how much it's used? **Representative Sinrud** said according to the budget it's \$775,000 per year and according to the staff, they don't have a figure as to how many lawyers use that library.

**{Tape : 2; Side : B; Approx. Time Counter : 0 - 24.6}**

**Representative Davies** to **Mr. Smith** concerning licensing fees to other professionals. **Mr. Smith** did not know but listed the additional fees lawyers pay.

**Representative Buzzas** referred to **Eddy McClure, Legislative Attorney**. **Ms. McClure** said under the separation of powers article in the Constitution, the Montana Supreme Court has authority over the licensing of attorneys.

**Representative Kaufmann** to **Mr. Smith**. His comments were that no lawyer goes in by himself because they are representing the members of the public and they do pay a number of fees already.

Closing by Sponsor: **Representative Sinrud** closed the Hearing on HB 29.

EXECUTIVE ACTION ON HB 29

Motion: **REP. HEDGES** moved that **HB 29 DO PASS**.

Substitute Motion: **REP. KAUFMANN** made a substitute motion that **HB 29 BE TABLED**. Motion failed 5-13 with **Representatives Buzzas, Callahan, Jayne, Kaufmann and Lindeen** voting yes.

Motion/Vote: **REP. WITT** moved that **HB 29 DO PASS** on a reverse vote. Motion carried 13-5 with **Representatives Buzzas, Callahan, Jayne, Kaufmann and Lindeen** voting no.

**Representative Lewis** announced the Committee would meet again on adjournment of the House.

**ADJOURNMENT**

Adjournment: 10:15 A.M.

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REP. DAVE LEWIS, Chair

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MARY LOU SCHMITZ, Secretary

DL/MS

**EXHIBIT**(aph04aad)